

## Ways you can give to the Naples Library

1.) When a Retired individual reaches age 70 ½, Required Minimum Distributions (RMD's) are required by the IRS. Any withdrawal from an IRA, including the RMD's, is taxed as ordinary income. However, if someone directs any of their RMD directly to Qualified Charity, that portion is not taxed. This is known as a **Qualified Charitable Distribution (QCD)**, and using QCD's partially or fully to satisfy their RMD reduces someone's Adjusted Gross Income, which can be favorable for reducing Medicare premiums and the taxation of social security to individuals. From a tax-perspective this is a preferred method of giving when some or all of the RMD is not needed.

2.) **Gifting of Appreciated property/securities** is still an option under Trump's new tax laws. This is a favored tax-advantaged method of giving regardless of whether a tax deduction is given, as neither the taxpayer nor the charity (the Library) pays tax on the Unrealized Capital Gain. The higher the unrealized gain the better. Timing of this option is important especially for a giver nearing "end of life", as there can be Step up in basis considerations.

3.) **Naming the Library as Beneficiaries of a person's Retirement Account (or Tax Deferred Annuities)**. Going back to #1, if a Retirement owner passes away, someone will be inheriting an Asset that will now give them extra income tax issues to consider. By naming a Qualified Charity like the Library that issue goes away and the individual could leave other assets to heirs without the tax consequences. Most people don't realize Annuities can create quite the unintended tax burden for a beneficiary.